AMENDED IN ASSEMBLY APRIL 3, 2008

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

ASSEMBLY BILL

No. 2759

Introduced by Assembly Member Jones (Principal coauthor: Senator Steinberg) (Coauthor: Assembly Member Nunez Coauthors: Assembly Members Huffman and Nunez)

February 22, 2008

An act relating to state preschool programs to amend Sections 8208, 8235, 8236, 8237, 8238, 8238.1, 8238.3, 8238.5, 8240, 8250.5, 8264.5, and 8266.1 of, to amend the heading of Article 7 (commencing with Section 8235) of Chapter 2 of Part 6 of Division 1 of Title 1 of, to amend the heading of Title 8 (commencing with Section 8240) of Chapter 2 of Part 6 of Division 1 of Title 1 of, to add Section 8236.1 to, and to repeal and add Sections 8238.4, 8239, and 8244 of, the Education Code, relating to child care and development services.

LEGISLATIVE COUNSEL'S DIGEST

AB 2759, as amended, Jones. State preschool programs: reform. Existing

(1) Existing law requires the Superintendent of Public Instruction to administer state preschool programs, including part-day and preschool appropriate programs for prekindergarten children 3 to 5 years of age, inclusive, in educational development, health services, social services, nutritional services, parent education and participation, evaluation, and staff development.

This bill would express the Legislature's intent to enact legislation to reform state preschool programs by consolidating and streamlining child development programs that serve children 3 to 5 years of age,

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inclusive recast those provisions as California state preschool programs. The bill would recast the general child care and development programs as the center child care and development programs and would include full-day programs within these provisions. The bill would specify that the California state preschool program is available to three-year-old and four-year-old children, as defined.

(2) Existing law establishes as schedule for expenditure of prescribed funds appropriated pursuant to the Budget Act of 2006, for child development in preschool programs.

This bill would repeal that provision.

(3) Existing law requires the Superintendent and the department to administer prekindergarten and family literacy programs in accordance with specified funding and other requirements.

This bill would revise those requirements and would provide for the allocation of funds upon appropriation in the annual Budget Act or another statute. The bill would authorize the Superintendent to transfer funds appropriated on and after January 1, 2009, between center child care and development programs and the California state preschool program.

(4) Existing law establishes an enrollment priority for state preschool program services.

This bill would revise the enrollment priority.

(5) Existing law requires certain entities operating child care and development programs to employ a program director, and authorizes the Superintendent to waive the qualifications for the program director under specified circumstances.

This bill would recast those provisions and would delete the director qualification waiver provisions.

(6) Existing law establishes reimbursement rates for child care and development program providers and requires the Superintendent to establish a fee schedule for families utilizing child care services under these provisions.

This bill would revise those reimbursement rates for California state preschool program providers and would require fees to be assessed and collected for families with children in full-day preschool programs pursuant to the fee schedule provisions.

(7) The bill would become operative on July 1, 2009, and only if SB 1629 of the 2007–08 Regular Session of the Legislature is enacted and becomes effective on or before January 1, 2009.

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Vote: majority. Appropriation: no. Fiscal committee: no yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

- (a) Learning begins at the earliest stages of life and research shows that preschool is a proven investment in children's academic success and their success later in life. A high-quality preschool system would benefit California children, the state's systems of public and higher education, its families and students, and its economy overall.
- (b) Effective preschool provides eager young learners with early academic and social skills that prepare them for later learning. Developing these skills requires developmentally appropriate, intentional instruction from skilled teachers.
- (c) Unfortunately, too many children are turned away from preschool, and the children who lack access to preschool are disproportionately children of color, children whose home language is not English, and children whose parents did not graduate from high school. Research has shown that only one-half of all eligible children in California are enrolled in a state preschool or the federal Head Start Program.
- (d) Currently, California's preschool programs consist of both state and federally funded programs for the provision of part-day and full-day preschool and child care.
- (e) According to the National Institute of Early Education Research, California's state preschool programs meet only four of 10 benchmarks for quality preschool. A vast body of research shows that only high-quality preschool results in the child outcomes and cost-benefits widely attributed to preschool.
- (f) The myriad of state child development programs that serve children 3 to 5 years of age, inclusive, are unnecessarily complex; programs are not rewarded or given enough support to achieve the high-quality learning environments that our most disadvantaged children need and deserve.
- (g) In order to take full advantage of the integral role that a quality preschool system plays in helping prepare children for school, which would benefit the state's most vulnerable pupils and

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children from low-income families, including English language learners, California must create a more coherent and efficient publicly funded preschool program and lay the groundwork for high quality. Consolidating and streamlining the state's preschool program within existing revenues and expenditures and creating a system that rewards programs that provide higher quality learning environments would greatly increase California's ability to bridge the achievement gap.

- (h) Making the necessary investments to expand the state's preschool system while the state faces a budget shortfall will be difficult, but important steps can be taken now to put in place the framework for a high-quality prekindergarten system upon which future expansion can be built.
- SEC. 2. It is the intent of the Legislature to enact legislation that would reform existing state preschool programs by consolidating and streamlining existing child development programs that serve children 3 to 5 years of age, inclusive.
- SEC. 2. Section 8208 of the Education Code is amended to read:

8208. As used in this chapter:

- (a) "Alternative payments" includes payments that are made by one child care agency to another agency or child care provider for the provision of child care and development services, and payments that are made by an agency to a parent for the parent's purchase of child care and development services.
- (b) "Alternative payment program" means a local government agency or nonprofit organization that has contracted with the department pursuant to Section 8220.2 to provide alternative payments and to provide support services to parents and providers.
- (c) "Applicant or contracting agency" means a school district, community college district, college or university, county superintendent of schools, county, city, public agency, private nontax-exempt agency, private tax-exempt agency, or other entity that is authorized to establish, maintain, or operate services pursuant to this chapter. Private agencies and parent cooperatives, duly licensed by law, shall receive the same consideration as any other authorized entity with no loss of parental decisionmaking prerogatives as consistent with the provisions of this chapter.
- (d) "Assigned reimbursement rate" is that rate established by the contract with the agency and is derived by dividing the total

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dollar amount of the contract by the minimum child day of average daily enrollment level of service required.

- (e) "Attendance" means the number of children present at a child care and development facility. "Attendance," for the purposes of reimbursement, includes excused absences by children because of illness, quarantine, illness or quarantine of their parent, family emergency, or to spend time with a parent or other relative as required by a court of law or that is clearly in the best interest of the child.
- (f) "Capital outlay" means the amount paid for the renovation and repair of child care and development facilities to comply with state and local health and safety standards, and the amount paid for the state purchase of relocatable child care and development facilities for lease to qualifying contracting agencies.
- (g) "Caregiver" means a person who provides direct care, supervision, and guidance to children in a child care and development facility.
- (h) "Child care and development facility" means any residence or building or part thereof in which child care and development services are provided.
- (i) "Child care and development programs" means those programs that offer a full range of services for children from infancy to 13 years of age for any part of a day, by a public or private agency, in centers and family child care homes. These programs include, but are not limited to, all of the following:
 - (1) Campus Center child care and development.
- (2) General child care and development.
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- 29 (2) Migrant child care and development.
- 30 (4)
- (3) Child care provided by the California School Age Families
 Education Program (Article 7.1 (commencing with Section 54740)
- 33 of Chapter 9 of Part 29).
- 34 (5) State
- 35 (4) California state preschool program.
- 36 (6)
- 37 (5) Resource and referral.
- 38 (7)
- 39 (6) Child care and development services for children with special 40 *exceptional* needs.

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- 1 (8)
- 2 (7) Family child care home education network.
- 3 (9)
- 4 (8) Alternative payment.
- 5 (10) Child abuse protection and prevention services.
- 6 (11)

- 7 (9) Schoolage community child care.
 - (j) "Child care and development services" means those services designed to meet a wide variety of needs of children and their families, while their parents or guardians are working, in training, seeking employment, incapacitated, or in need of respite. These services may include direct care and supervision, instructional activities, resource and referral programs, and alternative payment arrangements.
 - (k) "Children at risk of abuse, neglect, or exploitation" means children who are so identified in a written referral from a legal, medical, or social service agency, or emergency shelter.
 - (l) "Children with exceptional needs" means either of the following:
 - (1) Infants and toddlers under three years of age who have been determined to be eligible for early intervention services pursuant to the California Early Intervention Services Act (Title 14 (commencing with Section 95000) of the Government Code) and its implementing regulations. These children include an infant or toddler with a developmental delay or established risk condition, or who is at high risk of having a substantial developmental disability, as defined in subdivision (a) of Section 95014 of the Government Code. These children shall have active individualized family service plans, shall be receiving early intervention services, and shall be children who require the special attention of adults in a child care setting.
 - (2) Children ages 3 to 21 years, inclusive, who have been determined to be eligible for special education and related services by an individualized education program team according to the special education requirements contained in Part 30 (commencing with Section 56000), and who meet eligibility criteria described in Section 56026 and Sections 56333 to 56338, inclusive, and Sections 3030 and 3031 of Title 5 of the California Code of Regulations. These children shall have an active individualized education program, shall be receiving early intervention services

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or appropriate special education and related services, and shall be children who require the special attention of adults in a child care setting. These children include children with mental retardation, hearing impairments (including deafness), speech or language impairments, visual impairments (including blindness), serious emotional disturbance (also referred to as emotional disturbance), orthopedic impairments, autism, traumatic brain injury, other health impairments, or specific learning disabilities, who need special education and related services consistent with paragraph (A) of subsection (3) of Section 1401 of Title 20 of the United States Code.

(m) "Closedown costs" means reimbursements for all approved activities associated with the closing of operations at the end of each growing season for migrant child development programs only.

- (n) "Cost" includes, but is not limited to, expenditures that are related to the operation of child care and development programs. "Cost" may include a reasonable amount for state and local contributions to employee benefits, including approved retirement programs, agency administration, and any other reasonable program operational costs. "Cost" may also include amounts for licensable facilities in the community served by the program, including lease payments or depreciation, downpayments, and payments of principal and interest on loans incurred to acquire, rehabilitate, or construct licensable facilities, but these costs shall not exceed fair market rents existing in the community in which the facility is located. "Reasonable and necessary costs" are costs that, in nature and amount, do not exceed what an ordinary prudent person would incur in the conduct of a competitive business.
- (o) "Elementary school," as contained in Section 425 of Title 20 of the United States Code (the National Defense Education Act of 1958, Public Law 85-864, as amended), includes early childhood education programs and all child development programs, for the purpose of the cancellation provisions of loans to students in institutions of higher learning.
- (p) "Family child care home education network" means an entity organized under law that contracts with the department pursuant to Section 8245 to make payments to licensed family child care home providers and to provide educational and support services to those providers and to children and families eligible for

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state-subsidized child care and development services. A family child care home education network may also be referred to as a family child care home system.

- (q) "Health services" include, but are not limited to, all of the following:
- (1) Referral, whenever possible, to appropriate health care providers able to provide continuity of medical care.
- (2) Health screening and health treatment, including a full range of immunization recorded on the appropriate state immunization form to the extent provided by the Medi-Cal Act (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code) and the Child Health and Disability Prevention Program (Article 6 (commencing with Section 124025) of Chapter 3 of Part 2 of Division 106 of the Health and Safety Code), but only to the extent that ongoing care cannot be obtained utilizing community resources.
- (3) Health education and training for children, parents, staff, and providers.
- (4) Followup treatment through referral to appropriate health care agencies or individual health care professionals.
- (r) "Higher educational institutions" means the Regents of the University of California, the Trustees of the California State University, the Board of Governors of the California Community Colleges, and the governing bodies of any accredited private nonprofit institution of postsecondary education.
- (s) "Intergenerational staff" means persons of various generations.
- (t) "Limited-English-speaking-proficient and non-English-speaking-proficient children" means children who are unable to benefit fully from an English-only child care and development program as a result of either of the following:
- (1) Having used a language other than English when they first began to speak.
- (2) Having a language other than English predominantly or exclusively spoken at home.
- (u) "Parent" means a biological parent, stepparent, adoptive parent, foster parent, caretaker relative, or any other adult living with a child who has responsibility for the care and welfare of the child.

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(v) "Program director" means a person who, pursuant to Sections 8244 and 8360.1, is qualified to serve as a program director.

- (w) "Proprietary child care agency" means an organization or facility providing child care, which is operated for profit.
- (x) "Resource and referral programs" means programs that provide information to parents, including referrals and coordination of community resources for parents and public or private providers of care. Services frequently include, but are not limited to: technical assistance for providers, toy-lending libraries, equipment-lending libraries, toy- and equipment-lending libraries, staff development programs, health and nutrition education, and referrals to social services.
- (y) "Severely disabled children" are children with exceptional needs from birth to 21 years of age, inclusive, who require intensive instruction and training in programs serving pupils with the following profound disabilities: autism, blindness, deafness, severe orthopedic impairments, serious emotional disturbances, or severe mental retardation. "Severely disabled children" also include those individuals who would have been eligible for enrollment in a developmental center for handicapped pupils under Chapter 6 (commencing with Section 56800) of Part 30 as it read on January 1, 1980.
- (z) "Short-term respite child care" means child care service to assist families whose children have been identified through written referral from a legal, medical, or social service agency, or emergency shelter as being neglected, abused, exploited, or homeless, or at risk of being neglected, abused, exploited, or homeless. Child care is provided for less than 24 hours per day in child care centers, treatment centers for abusive parents, family child care homes, or in the child's own home.
- (aa) (1) "Site supervisor" means a person who, regardless of his or her title, has operational program responsibility for a child care and development program at a single site. A site supervisor shall hold a permit issued by the Commission on Teacher Credentialing that authorizes supervision of a child care and development program operating in a single site. The Superintendent may waive the requirements of this subdivision if the superintendent determines that the existence of compelling need is appropriately documented.

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(2) In respect to For California state preschool programs, a site supervisor may qualify under any of the provisions in this subdivision, or may qualify by holding an administrative credential or an administrative services credential. A person who meets the qualifications of a site supervisor under both Section 8244 and subdivision (e) of Section 8360.1 is also qualified under this subdivision.

- (ab) "Standard reimbursement rate" means that rate established by the Superintendent pursuant to Section 8265.
- (ac) "Startup costs" means those expenses an agency incurs in the process of opening a new or additional facility prior to the full enrollment of children.
- (ad) "State—"California state preschool—services" program" means part-day and full-day educational programs for low-income or otherwise disadvantaged—prekindergarten-age three- and four-year-old children.
- (ae) "Support services" means those services that, when combined with child care and development services, help promote the healthy physical, mental, social, and emotional growth of children. Support services include, but are not limited to: protective services, parent training, provider and staff training, transportation, parent and child counseling, child development resource and referral services, and child placement counseling.
- (af) "Teacher" means a person with the appropriate permit issued by the Commission on Teacher Credentialing who provides program supervision and instruction that includes supervision of a number of aides, volunteers, and groups of children.
- (ag) "Underserved area" means a county or subcounty area, including, but not limited to, school districts, census tracts, or ZIP Code areas, where the ratio of publicly subsidized child care and development program services to the need for these services is low, as determined by the Superintendent.
- (ah) "Workday" means the time that the parent requires temporary care for a child for any of the following reasons:
 - (1) To undertake training in preparation for a job.
 - (2) To undertake or retain a job.
- (3) To undertake other activities that are essential to maintaining or improving the social and economic function of the family, are beneficial to the community, or are required because of health problems in the family.

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(ai) "Three-year-old children" means children who will have their third birthday on or before December 2 of the fiscal year in which they are enrolled in a California state preschool program.

- (aj) "Four-year-old children" means children who will have their fourth birthday on or before December 2 of the fiscal year in which they are enrolled in a California state preschool program.
- (ak) "Interactive literacy activities" means activities in which parents or guardians actively participate in facilitating the acquisition by their children of prereading skills through guided activities such as shared reading, learning the alphabet, and basic vocabulary development.
- (al) "Local educational agency" means a school district, a county office of education, a community college district, or a school district on behalf of one or more schools within the school district.
- SEC. 3. The heading of Article 7 (commencing with Section 8235) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code is amended to read:

Article 7. California State Preschool Programs

SEC. 4. Section 8235 of the Education Code is amended to read:

- 8235. (a) The Superintendent of Public Instruction shall administer all *California* state preschool programs in accordance with the funding priorities set forth in Section 8236. Those programs shall include, but not be limited to, part-day and *full-day* preschool appropriate programs for prekindergarten three- and four-year old children three to five years of age in educational development, health services, social services, nutritional services, parent education and parent participation, evaluation, and staff development. Preschool programs for which federal reimbursement is not available shall be funded as prescribed by the Legislature in the Budget Act, and unless otherwise specified by the Legislature, shall not utilize federal funds made available through Title XX of the Social Security Act (42 U.S.C. Sec. 1397).
- (b) Federal Headstart funds used to provide services to families receiving state preschool services shall be deemed nonrestricted funds.
- (b) Three- and four-year-old children are eligible for the part-day California state preschool program if the family meets

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at least one of the criteria specified in paragraph (1) of subdivision
 (a) of Section 8263.
 (b) Notwithstanding any other provision of law, a part-day

- (c) Notwithstanding any other provision of law, a part-day California state preschool program may provide services to children in families above the income eligibility threshold, as described in Sections 8263 and 8263.1, after all eligible three-and four-year-old children have been enrolled. No more than 10 percent of children enrolled, calculated throughout the participating program's entire contract, may be filled by children in families above the income eligibility threshold.
- (d) Three- and four-year-old children are eligible for full-day California state preschool program services if the family meets at least one of the criteria specified in paragraph (1) of subdivision (a) of Section 8263, and the parents meet at least one of the criteria specified in paragraph (2) of subdivision (a) of Section 8263.

(c)

(e) Priority for receiving state preschool services shall be given to low-income families who meet the eligibility standards as established by the Superintendent—of Public Instruction, in accordance with the priorities set forth in Section 8236.

(d)

(f) Reimbursement for state preschool programs shall be on a per capita basis, as determined by the Superintendent-of Public Instruction.

(e)

- (g) Any agency described in subdivision (c) of Section 8208 as an "applicant or contracting agency" is eligible to contract to operate a *California* state preschool program.
- SEC. 5. Section 8236 of the Education Code is amended to read:
- 8236. (a) For purposes of this section, the following definitions apply:
- (1) "Eligible children" means children who are currently eligible for the state preschool program.
- (2) "Four-year-old children" means those children who will have their fourth birthday on or before December 2 of the fiscal year in which they are enrolled in a state preschool program.
- (3) "Local educational agency" means a school district, a county office of education, a community college district, or a school district on behalf of one or more schools within the school district.

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(4) "Superintendent" means the Superintendent of Public Instruction.

(5) "Three-year-old children" means those children who will have their third birthday on or before December 2 of the fiscal year in which they are enrolled in a state preschool program.

(b)

- 8236. (a) (1) Each applicant or contracting agency funded pursuant to Section 8235 shall give first priority to *three- or four-year-old* neglected or abused children who are recipients of child protective services, or—recipients who are at risk of being neglected—or, abused, *or exploited* upon written referral from a legal, medical, or social service agency. If an agency is unable to enroll a child in this first priority category, the agency shall refer the child's parent or guardian to local resource and referral services so that services for the child can be located.
- (2) After Notwithstanding Section 8263, after children in the first priority category set forth in paragraph (1) are served enrolled, each agency funded pursuant to Section 8235 shall—serve give priority to eligible four-year-old children prior to serving enrolling eligible three-year-old children. Each agency shall certify to the Superintendent that enrollment priority is being given to eligible four-year-old children.
- (c) For state preschool programs operating with funding that was initially allocated in a prior fiscal year, at least half the children enrolled at a preschool site shall be four-year-olds. Any exception to this requirement shall be approved by the Superintendent. The Superintendent shall inform the Secretary of Child Development and Education of any exceptions that have been granted.

(d)

- (b) The following provisions apply to the award of new funding for the expansion of the *California* state preschool program that is appropriated by the Legislature for that purpose in any fiscal year:
- (1) In an application for those expansion funds, an agency shall furnish the Superintendent with an estimate of the number of four-year-old and three-year-old children that it plans to serve in the following fiscal year with those expansion funds. The agency also shall furnish documentation that indicates the basis of those estimates.

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(2) In awarding contracts for expansion pursuant to this subdivision, the Superintendent, after taking into account the geographic criteria established pursuant to Section 8279.3, and the headquarters preferences and eligibility criteria relating to fiscal or programmatic noncompliance established pursuant to Section 8261, shall give priority to applicant agencies that, in expending the expansion funds, will be serving the highest percentage of four-year-old children.

- (3) (A) Agencies that receive funding for the expansion of a state preschool program shall enroll children in the following priority order:
- (i) Neglected or abused children who are recipients of child protective services, or recipients who are at risk of being neglected or abused, upon written referral from a legal, medical, or social services agency.
- (ii) Four-year-old children who are eligible for the state preschool program.
- (B) Otherwise, children shall be enrolled based on other statutory and regulatory priorities for the state preschool program.
- (e) Nothing in this section shall be deemed to preclude a local educational agency from subcontracting with an appropriate public or private agency to operate a state preschool program and to apply for funds made available for the purposes of this section. If a school district chooses not to operate or subcontract for a state preschool program, the Superintendent shall work with the county office of education and other eligible agencies to explore possible opportunities in contracting or alternative subcontracting to provide a state preschool program.

(f)

- (c) Nothing in this section shall prevent eligible children who are currently receiving services from continuing to receive those services in future years pursuant to this chapter.
- SEC. 6. Section 8236.1 is added to the Education Code, to read:
- 8236.1. Notwithstanding any other provision of law, the Superintendent may transfer funds appropriated on and after January 1, 2009, between center child care and development programs and the California state preschool program for the purpose of maximizing funds and ensuring that the needs of the service population are met.

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1 SEC. 7. Section 8237 of the Education Code is amended to 2 read:

8237. A state preschool program applicant or part-day California state preschool program contracting agency has 120 calendar days prior to the first day of the beginning of the new preschool year to certify eligibility and enroll families into their program. Subsequent to enrollment, a child shall be deemed eligible for a part-day California state preschool program for the remainder of the program year.

SEC. 8. Section 8238 of the Education Code is amended to read:

- 8238. As a condition of receipt of funds California state preschool programs located in the attendance area of elementary schools ranked in deciles 1 to 3, inclusive, of the most recent base Academic Performance Index established by the Superintendent pursuant to Section 8238.4, a participating program 52056 shall include, but not be limited to, provide both of the following:
- (a) Age and developmentally appropriate activities for children in participating classrooms that are designed to facilitate their transition to kindergarten.
- (b) Opportunities for parents and legal guardians to work with their children on interactive literacy activities. For purposes of this subdivision, "interactive literacy activities" means activities in which parents or legal guardians actively participate in facilitating the acquisition by their children of prereading skills through guided activities such as shared reading, learning the alphabet, and basic vocabulary development.
- SEC. 9. Section 8238.1 of the Education Code is amended to read:
- 8238.1. As a condition of receipt of funds pursuant to Section 8238.4, a participating program California state preschool programs located in the attendance area of elementary schools ranked in deciles 1 to 3, inclusive, of the most recent base Academic Performance Index established by the Superintendent pursuant to Section 52056 shall coordinate the provision of all of the following:
- (a) Parenting education for parents and legal guardians of children in participating classrooms to support the development by their children of literacy skills. Parenting education shall include, but not be limited to, instruction in all of the following:

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(1) Providing support for the educational growth and success 2 of their children.

- (2) Improving the parent-school communications and parental understanding of school structures and expectations.
- (3) Becoming active partners with teachers in the education of their children.
- (b) Referrals-Making referrals, as necessary, to providers of instruction in adult education and English as a second language in order to improve the academic skills of parents and legal guardians of children in participating classrooms.
- SEC. 10. Section 8238.3 of the Education Code is amended to read:
- 8238.3. As a condition of receipt of funds pursuant to Section 8238.4, a participating program—California state preschool programs located in the attendance area of elementary schools in deciles 1 to 3, inclusive, based on the most recent base Academic Performance Index established by the Superintendent pursuant to Section 52056 shall provide staff development for teachers in participating classrooms that includes, but is not limited to, all of the following:
- (a) Development of a pedagogical knowledge including, but not limited to, improved instructional strategies.
- (b) Knowledge and application of developmentally appropriate assessments of the prereading skills of children in participating classrooms.
- (c) Information on working with families, including the use of on site coaching, for guided practice in interactive literacy activities.
 - SEC. 11. Section 8238.4 of the Education Code is repealed.
- 8238.4. Of funds appropriated in Schedule (1) of Item 6110-196-0001 of Section 2.00 of the Budget Act of 2006 (Ch. 48, Stats. 2006) for child development and preschool programs, fifty million dollars (\$50,000,000) is available for expenditure by the Superintendent as follows:
- (a) (1) Forty-five million dollars (\$45,000,000) to reimburse participating programs on a per-child basis at the same rate that is used for the state preschool program, as determined in the annual Budget Act or other statute.
- (2) The funds described in paragraph (1) shall be assigned to programs located in the attendance area of elementary schools in

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deciles 1 to 3, inclusive, based on the 2005 base Academic Performance Index pursuant to Section 52056. Within elementary schools in deciles 1 to 3, inclusive, based on the 2005 base Academic Performance Index, preference shall be provided to underserved areas as described in subdivision (d) of Section 8279.3. If the funds described in paragraph (1) are offered under a new competitive bidding process after January 1, 2008, due to the termination, suspension, or relinquishment of an original contract award and in order to maintain an existing class, the department shall assign first priority to successful applicants that will maintain that class within the attendance area of the elementary school as originally granted.

- (3) Notwithstanding any other provision of law, programs receiving funding in this section shall serve children who would attend kindergarten in the subsequent academic year. No child shall receive services from a program under this section for more than one year.
- (4) Notwithstanding any other provision of law, a program receiving funding pursuant to this section may provide services to children in families above the income eligibility threshold, as described in Sections 8263 and 8263.1, if the number of contracted slots exceed the number of eligible children. No more than 20 percent of contracted slots, calculated throughout the participating program's entire contract, may be filled by children in families above the income eligibility threshold.
- (5) The department shall report to the Department of Finance and the Legislature at budget hearings the number of children who are being served with the funds described in paragraph (1). The report shall also include the number of children served above the income eligibility threshold and the age of all children served.
- (b) (1) Five million dollars (\$5,000,000) to be distributed to each participating class at a rate of two thousand five hundred dollars (\$2,500) per class per school year. Funds received pursuant to this subdivision may be used for all of the following purposes:
- (A) Compensation and support costs for program coordinators as described in Section 8238.2.
- 37 (B) Staff development pursuant to Section 8238.3.
 - (C) Family literacy services.

39 (D) Instructional materials, including consumables.

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(2) In the event that the total amount described in paragraph (1) is insufficient to fund all of the participating class at the per classroom rate described in that paragraph, the class rate shall be prorated accordingly.

- (c) The appropriation of funds for purposes of this section beyond the amounts described in this section shall be pursuant to the annual Budget Act or other statute.
- SEC. 12. Section 8238.4 is added to the Education Code, to read:
- 8238.4. (a) When funds appropriated for the California state preschool programs that are located in the attendance area of elementary schools ranked in deciles 1 to 3, inclusive, of the most recent base Academic Performance Index established by the Superintendent pursuant to Section 52056, are offered under a new competitive bidding process after January 1, 2008, due to the termination, suspension, or relinquishment of an original contract award, the department shall assign first priority to successful applicants that agree to maintain that class within the attendance area of the elementary school as originally granted.
- (b) The State Department of Education shall report to the Department of Finance and the Legislature the number of children who are being served in California state preschool programs. The report shall also include the number of children served above the income eligibility threshold.
- (c) (1) Upon appropriation of funds in the annual Budget Act or another statute, California state preschool programs located in the attendance area of elementary schools ranked in deciles 1 to 3, inclusive, of the most recent base Academic Performance Index established by the Superintendent pursuant to Section 52056, shall receive up to five million dollars (\$5,000,000) to be distributed to each participating class at a rate of two thousand five hundred dollars (\$2,500) per class per school year. Funds received pursuant to this subdivision may be used for all of the purposes described in Sections 8238.1 to 8238.3, inclusive.
- (2) If the total amount available for the purposes of paragraph (1) is insufficient to fund all of the participating classes at the per-class rate described in that paragraph, the Superintendent shall set criteria for the distribution of the funds.
- 39 SEC. 13. Section 8238.5 of the Education Code is amended to 40 read:

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8238.5. Subject to the availability of funds for purposes of this section, as described in subdivision (c) of 8238.4, the Superintendent shall conduct an evaluation of the effectiveness of prekindergarten and family literacy programs California state preschool programs with family literacy components established pursuant to this article. To the extent feasible, the evaluation shall do both of the following:

- (a) Rely on quantifiable measures of academic achievement of participating children, including, but not limited to, performance on the Standardized Testing and Reporting Program test and the English language development test administered in grade 3.
 - (b) Estimate the costs and benefits of the programs.

- SEC. 14. Section 8239 of the Education Code is repealed.
- 8239. The Superintendent shall encourage state preschool program applicants or contracting agencies to offer full-day services through a combination of part-day preschool slots and part-day general child care and development programs. In order to facilitate a full-day of services, all of the following shall apply:
- (a) Part-day preschool programs provided pursuant to this section shall operate between 175 and 180 days.
- (b) Part-day general child care and development programs provided pursuant to this section may operate a minimum of 246 days per year unless the child development contract specified a lower minimum days of operation. Part-day general child care and development programs may operate a full-day for the remainder of the year after the completion of the preschool program.
- (e) Full day services provided under this section shall be reimbursed at no more than the standard reimbursement rate with adjustment factors.
- (d) Notwithstanding any provision of law, to be eligible for part-day child care, a child who is enrolled in a preschool program shall be required to meet the eligibility requirements specified in paragraph (4) of subdivision (a) of Section 8238.4 and the requirements pursuant to Sections 8263 and 8263.1 at the time of enrollment in a preschool. Subsequent to enrollment, a child shall be deemed eligible for part-day care as long as the child is enrolled in a preschool program.
- SEC. 15. Section 8239 is added to the Education Code, to read:

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8239. (a) The Superintendent shall encourage California state preschool program contracting agencies to offer full-day services to parents who have a qualifying need.

- (b) Part-day services provided under this section shall be reimbursed on a per capita basis, as determined by the Superintendent.
- (c) Full-day services provided under this section shall be reimbursed at no more than the standard reimbursement rate with adjustment factors.
- (d) Federal Head Start funds used to provide services to families receiving California state preschool services shall be deemed nonrestricted funds.
- SEC. 16. The heading of Article 8 (commencing with Section 8240) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code is amended to read:

Article 8. General-Center Child Care and Development **Programs**

SEC. 17. Section 8240 of the Education Code is amended to read:

8240. The Superintendent-of Public Instruction, with funds appropriated for this purpose, shall administer general center child care and development programs.

General

Center child care and development programs shall include:

- (a) Age, culturally, linguistically, and developmentally appropriate activities for children.
- (b) Supervision.
 - (c) Parenting education and parent involvement.
- (d) Social services that include, but are not limited to, 32 identification of child and family needs and referral to appropriate 33 agencies.
 - (e) Health services.
 - (f) Nutrition.
- (g) Training and career ladder opportunities, documentation of 36 37 which shall be provided to the *State* Department of Education.
 - SEC. 18. Section 8244 of the Education Code is repealed.
- 39 8244. (a) (1) Any entity operating child care and development 40 programs funded pursuant to this chapter that provide direct

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services to children at two or more sites, including through more than one contract or subcontract funded pursuant to this chapter, shall employ a program director.

- (2) Programs providing direct services to children, for the purposes of this section, are general child care and development programs pursuant to Article 8 (commencing with Section 8240), migrant child care and development programs pursuant to Article 6 (commencing with Section 8230), campus child care and development programs pursuant to Article 4 (commencing with Section 8225), state preschool programs pursuant to Article 7 (commencing with Section 8235), child care and development services for children with special needs programs pursuant to Article 9 (commencing with Section 8250), infant care and development services programs pursuant to Article 17 (commencing with Section 8390), and any of these programs operated through family child care homes.
- (b) (1) For purposes of this section, the following definitions shall apply:
- (A) "Administrative responsibility" means awareness of the financial and business circumstances of the program, and, in appropriate cases, supervision of administrative and support personnel and the knowledge and authority to direct or modify administrative practices and procedures to ensure compliance to administrative and financial standards imposed by law.
- (B) "Program director" means a person who, regardless of his or her title, has programmatic and administrative responsibility for a child care and development program that provides direct services to children at two or more sites.
- (C) "Programmatic responsibility" means overall supervision of curriculum and instructional staff, including instructional aides, and the knowledge and authority to direct or modify program practices and procedures to ensure compliance to applicable quality and health and safety standards imposed by law.
- (2) Administrative and programmatic responsibility also includes the responsibility to act as the representative for the child development program to the State Department of Education. With respect to programs operated through family child care homes, administrative and programmatic responsibility includes ensuring that quality services are provided in the family child care homes.

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(e) The program director also may serve as the site supervisor at one of the sites, provided that he or she both fulfills the duties of a "day care center director," as set forth in Section 101315 of Title 22 of the California Code of Regulations, and meets the qualifications for a site supervisor as set forth in subdivision (aa) of Section 8208.

- (d) The Superintendent of Public Instruction may waive the qualifications for program director described in Sections 8360.1 and 8360.3 upon a finding of one of the following circumstances:
- (1) The applicant is making satisfactory progress toward securing a permit issued by the Commission on Teacher Credentialing authorizing supervision of a child care and development program operating in two or more sites or fulfilling the qualifications for program directors in severely handicapped programs, as specified in Section 8360.3.
- (2) The place of employment is so remote from institutions offering the necessary coursework as to make continuing education impracticable and the contractor has made a diligent search but has been unable to hire a more qualified applicant.
- (e) The Superintendent of Public Instruction, upon good cause, may by rule identify and apply grounds in addition to those specified in subdivision (d) for granting a waiver of the qualifications for program director.
- SEC. 19. Section 8244 is added to the Education Code, to read: 8244. (a) Any entity operating center child care and development programs funded pursuant to this chapter that provide direct services to children at two or more sites, including the use of more than one contract or subcontract funded pursuant to this chapter, shall employ a program director.
- (b) Programs providing direct services to children, for the purposes of this section, are center child care and development programs pursuant to this article, migrant child care and development programs pursuant to Article 6 (commencing with Section 8230), California state preschool programs pursuant to Article 7 (commencing with Section 8235), child care and development services for children with exceptional needs programs pursuant to Article 9 (commencing with Section 8250), infant care and development services programs pursuant to Article 17 (commencing with Section 8390), and any of these programs operated through family child care homes.

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1 SEC. 20. Section 8250.5 of the Education Code is amended to 2 read:

8250.5. A contractor providing services pursuant to a-general center child care contract, a campus child care contract, a migrant child care contract, or an alternative payment child care contract is subject to the requirements of the Americans with Disabilities Act (42 U.S.C. Sec. 12101; et seq.).

SEC. 21. Section 8264.5 of the Education Code is amended to read:

8264.5. The Superintendent of Public Instruction may waive or modify child development requirements in order to enable child development programs to serve combinations of eligible children in areas of low population. The child development programs for which the superintendent Superintendent may grant waivers shall include, but need not be limited to, California state preschool full-day programs, child care provided by the California School Age Families Education Program (Article 7.1 (commencing with Section 54740) of Chapter 9 of Part 29), infant care and development services, migrant child care and development programs,—campus and center child care and development programs, and general child care and development programs.

SEC. 22. Section 8266.1 of the Education Code is amended to read:

8266.1. Commencing with the 1995–96 fiscal year and each fiscal year thereafter, for the purposes of this chapter, reimbursement rates shall be adjusted by the following reimbursement factors for child care and development programs with a standard reimbursement rate, but shall not apply to the Resource and Referral Programs set forth in Article 2 (commencing with Section 8210), the Alternative Payment Programs set forth in Article 3 (commencing with Section 8220), the State Preschool Programs California state preschool programs set forth in Article 7 (commencing with Section 8235), the School-age Community Child Care Services programs set forth in Article 22 (commencing with Section 8460), or to the school-age parent and infant development programs:

(a) For child care and development program providers serving children for less than four hours per day, the reimbursement factor is 55-California state preschool programs serving children for the minimum of three hours and less than four hours per day, the

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1 reimbursement factor is 62 percent of the standard reimbursement 2 rate.

- (b) For child care and development program providers serving children for not less than four hours per day, and less than six and one-half hours per day, the reimbursement factor is 75 percent of the standard reimbursement rate. For providers operating under the At Risk Child Care Program set forth in Article 15.5 (commencing with Section 8350) and serving children for not less than four hours per day, and less than seven hours per day, the reimbursement factor is 75 percent of the standard reimbursement rate.
- (c) For child care and development program providers serving children for not less than six and one-half hours per day, and less than 10 and one-half hours per day, the reimbursement factor is 100 percent of the standard reimbursement rate. For providers operating under the At Risk Child Care Program set forth in Article 15.5 (commencing with Section 8350) and serving children for not less than seven hours per day, and less than 10 hours per day, the reimbursement factor is 100 percent of the standard reimbursement rate.
- (d) For child care and development program providers serving children for 10 and one-half hours or more per day, the reimbursement factor is 118 percent of the standard reimbursement rate.
- 25 SEC. 23. This act shall become operative on July 1, 2009.
- 26 SEC. 24. This act shall become operative only if Senate Bill 27 1629 of the 2007–08 Regular Session of the Legislature is enacted 28 and becomes effective on or before January 1, 2009.